GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

STARRED QUESTION NO:322
ANSWERED ON:14.12.2006
ENHANCEMENT OF LICENCE FEE
Chakraborty Shri Ajay

Will the Minister of RAILWAYS be pleased to state:

(a) whether the licence fee has been increased for the small tea stall contractors belonging to scheduled caste categories at the railway stations;

(b) if so, the details thereof ;

(c) whether all factors relevant to the viability of the contract have been taken into consideration before issuing the licences in such cases; and

(d) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF RAILWAYS (SHRI LALU PRASAD)

(a) to (d) : A Statement is laid on the Table of the Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE STARRED QUESTION NO. 322 BY SHRI AJOY CHAKRABORTY IN LOK SABHA ON 14.12.2006 REGARDING ENHANCEMENT OF LICENCE FEE.

(a) & (b) : License fee as a percentage of sales turnover is uniform for all categories including reserved category catering/vending units. Rationalisation of percentage of license fee of catering / vending units are carried out from time to time. Last rationalization of licence fee was done in the year 1999 and it was fixed at 12 % of annual sales turnover. This is uniform for all categories of catering units and licencees, except for Rajdhani/Shatabdi Trains, for which the license fee is 15% of annual sales turnover.

(c) & (d) : As per policy guidelines, Zonal Railways and IRCTC while making allotments and renewals, will fix licence fee based on realistic sales assessment and ensure that licence fee is not below the minimum licence fee which is to be assessed on the basis of rational factors like, the State Gross Domestic Product (GDP), purchasing power, land value, type of clientele, number of passengers, location of unit, earlier sales turn over etc. Relevant factors for viability of such contracts including profit margin available to such business, were duly considered while fixing the licence fee at 12 % of the sales turnover.